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UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

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In re:

Chapter 11

DOWLING COLLEGE f/d/b/a DOWLING
INSTITUTE f/d/b/a DOWLING COLLEGE
ALUMNI ASSOCIATION f/d/b/a CECOM
a/k/a DOWLING COLLEGE, INC.

Case No. 16-75545 (REG)

Debtor.

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**COMMITTEE'S STATEMENT IN SUPPORT OF APPROVAL OF SALE
OF BROOKHAVEN CAMPUS TO TRIPLE FIVE AVIATION INDUSTRIES LLC**

The Official Committee of Unsecured Creditors (the "**Committee**") of Dowling College f/d/b/a Dowling Institute f/d/b/a Dowling College Alumni Association f/d/b/a Cecom a/k/a Dowling College, Inc. (the "**Debtor**"), by and through its counsel, SilvermanAcampora LLP, submits this statement in support of the Debtor's proposed sale of its Brookhaven Campus to Triple Five Aviation Industries LLC (the "**Triple Five**"), and respectfully sets forth and represents as follows:

BACKGROUND

1. On November 28, 2016 (the "**Petition Date**"), the Debtor filed a voluntary petition under chapter 11 of the Bankruptcy Code in this Court.
2. On December 9, 2016, the Office of the U.S. Trustee filed a *Notice of Appointment of Creditors' Committee* (ECF Doc. No. 85) appointing Ultimate Power Inc., Linda Ardito, and Lori Zaikowski to the Committee. The Committee selected SilvermanAcampora LLP as its counsel.

The Brookhaven Sale Motion and Auction

3. On September 26, 2017, the Debtor filed a motion (ECF Doc. No. 406) (the "**Sale**

Motion”)¹ seeking orders (i) approving bidding procedures for the sale of its Brookhaven Campus, and (ii) approving the sale of the Brookhaven Campus to the bidder tendering the highest and best bid. On December 16, 2017, the Court entered an order (ECF Doc. No. 425) approving the Debtor’s proposed bidding procedures.

4. After extensive marketing efforts undertaken by the Debtor’s retained real estate brokers, the Debtor conducted an auction of the Brookhaven Campus on January 31, 2018 (the “**Auction**”). The highest bid received at the Auction was \$10,200,000 (the “**Auction High Bid**”).

5. At the conclusion of the Auction, representatives of the Debtor, the Committee, and the Debtor’s secured creditors (the “**Lenders**”) conferred with one another and all bidders at the Auction in an effort to obtain an increased bid for the Brookhaven Campus. In order to provide additional time to continue those discussions, and to potentially garner additional bids from third parties, the Debtor adjourned the Auction without a determination as to the high bidder.

THE SALE OF THE BROOKHAVEN CAMPUS TO TRIPLE FIVE SHOULD BE APPROVED

6. In the months following the Auction, representatives of the Debtor and the Committee engaged in a substantial process to obtain higher and better bids for the Brookhaven Campus. Those efforts included multiple meetings, e-mail correspondence, and telephone calls with potential bidders, including the bidders at the Auction and multiple bidders that were subsequently identified by the parties. Representatives of the Debtor and the Committee also attended several meetings with the Town of Brookhaven.

7. As a result of those substantial efforts, on May 10, 2018 Triple Five submitted a formal bid for the Brookhaven Campus in the amount of \$14,000,000 (the “**Triple Five Bid**”). In consultation with the Committee and the Lenders, the Debtor determined to move forward to seek Court approval of the Triple Five Bid.

¹ Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Sale Motion.

8. Although the Triple Five Bid is lower than what the Committee and all other parties expected would be received for the sale of the Brookhaven Campus prior to the Auction, after the extensive marketing efforts undertaken by all parties the Committee believes that the Triple Five Bid is the highest and best bid that the Debtor will receive for the Brookhaven Campus. Accordingly, the Committee respectfully requests that the Court approve the sale of the Brookhaven Campus to Triple Five.

9. Moreover, as counsel to the Committee has previously informed the Court, due to the sale price of the Brookhaven Campus being lower than expected, the Debtor, the Committee, and the Lenders have agreed in principle to amend the term sheet that was previously approved by the Court as part of the Court's final order approving the Debtor's debtor in possession financing. This agreement, which the parties expect to be finalized shortly, will provide the Debtor with a carve-out sufficient to permit it to confirm a chapter 11 plan, as well as provide initial funding for a trust for unsecured creditors of the estate which will pursue estate claims against third parties.

WHEREFORE, based on the foregoing, the Committee respectfully requests that the Court approve the sale of the Brookhaven Campus to Triple Five.

Dated: Jericho, New York
June 1, 2018

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